

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Governmental Oversight and Productivity Committee

BILL: CS/SB 1512

INTRODUCER: Governmental Oversight and Productivity Committee and Senator Fasano

SUBJECT: Surplus State Lands/Fair Associations

DATE: April 25, 2006

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|------------------------|
| 1. | Albee | Poole | AG | Favorable |
| 2. | Molloy | Kiger | EP | Fav/1 amendment |
| 3. | McKay | Wilson | GO | Fav/CS |
| 4. | | | GA | |
| 5. | | | | |
| 6. | | | | |

I. Summary:

This bill requires that notwithstanding the surplus requirements established in s. 253.034, F.S., any parcel of surplus lands less than 3 acres in size which was acquired by the state before 1955 from a fair association incorporated under chapter 616, F.S., and which was acquired as a gift or through a conveyance for which no consideration was paid, and for which a notice to surplus has been filed by the Department of Environmental Protection (DEP) before July 1, 2007, must be offered for reconveyance to such fair association. The agency that last held a lease for the land from the Trustees may remove from the land any improvements, fixtures, goods, wares, and merchandise within 180 days after the effective date of the reconveyance.

This bill amends s. 253.034, Florida Statutes.

II. Present Situation:

Pasco County Fair Association, Inc.¹

The Pasco County Fair Association, Inc., a Florida not-for-profit corporation, was chartered in 1947 to host an annual fair for the promotion of youth and other county resources. The association is not funded with tax revenues or other government funding, but relies on memberships, fair revenues, and rental income from buildings on the fairgrounds to continue operations. The association currently has about 600 members, and membership fees are \$18 for an individual and \$35 for families. Membership provides free parking and free admission to the fair.

¹ www.pascocountyfair.com/aboutus.htm

Property History

In 1953, the Pasco County Fair Association agreed to lease land to the Agricultural Experiment Stations at the University of Florida to expand the West Coast Poultry Diagnostic Laboratory at Dade City. In order to fulfill the responsibilities of the laboratory, additions to the existing buildings were required and state funds were provided for construction.

In March of 1954, the associate director of the Agricultural Experiment Stations requested that the Fair Association deed 3 to 4 acres of property to the State Board of Education (BOE) as a gift so that the facility could be constructed with state funds². Also in March 1954, the Fair Association agreed to give the land to the BOE, but asked for a letter from the Experiment Stations officials stating that "should the Experiment Station cease to use the land for its own purposes, it will be returned to the Pasco County Fair Association through the Station's influence."³ On March 31, 1954, the associate director of the Experiment Stations wrote to the manager of the Fair Association that he had "no hesitancy in pledging to you that we would request the State Board of Education to return title of the land to your Board. We cannot speak with authority on behalf of the State Board of Education but we feel that they would agree to such a request." The associate director requested a deed "without reversion clause" because the "Attorney General will not accept title of lands if the deed contains restrictive clauses of any kind."⁴ On November 2, 1954, the Pasco County Fair Association deeded the property to the State Board of Education, a public body corporate, for a consideration of \$1.⁵

In November 1960, the State Board of Education transferred title to the property to the State of Florida for the Use and Benefit of the Florida Livestock Board.⁶ On January 15, 1961, the Florida Livestock Board transferred title to the State Department of Agriculture⁷. Title to the property was transferred to the Board of Trustees of the Internal Improvement Trust Fund (Trustees) when all properties titled in the name of various state agencies were combined and titled vested with the Trustees. The property was leased by the state to the Division of Forestry within the Department of Agriculture and Consumer Services.

In October 2002, Clark Converse, the General Manager of the Pasco County Fair Association, drafted (but never mailed) a letter to the DEP, requesting that since the diagnostics laboratory had not been functional for years and because the property had been vacant for at least six months, the property be returned to the Fair Association. However, in March 2005, DEP notified Mr. Converse that since the original conveyance to the Board of Education did not contain a reverter clause, the property could not be directly conveyed back to the Fair Association.

² Letter from J.R. Beckenbach, Associate Director of the Agricultural Experimental Stations at the University of Florida to Mr. J. F. Higgins, County Agent for the Pasco County Fair Association, dated March 2, 1954.

³ Letter from J. F. Higgins, Manager, Pasco County Fair Association to Dr. J. R. Beckenbach, Associate Director of the Agricultural Experimental Stations at the University of Florida, dated March 30, 1954.

⁴ Letter from J. R. Beckenbach, Associate Director of the Agricultural Experimental Stations at the University of Florida to Mr. J. F. Higgins, Manager, Pasco County Fair Association, dated March 31, 1954.

⁵ Official Records of Pasco County, Official Records Book 17, Page 489.

⁶ Official Records of Pasco County, Official Records Book 158, Pages 505-506.

⁷ Official Records of Pasco County, Official Records Book 173, Pages 343-345.

Surplus lands

The disposal of state-owned lands is governed by s. 253.034(6), F.S., which provides that the Trustees determine which lands, title which is vested in the Trustees, may be surplus. If the lands to be sold are conservation lands, the Trustees must determine that the lands are no longer needed for conservation purposes and the property may be sold or exchanged by an affirmative vote of at least three of the four trustees. For all other lands, the Trustees must make a determination that the lands are no longer needed by the state, and may dispose of them by an affirmative vote of at least three members.

Under the provisions of s. 253.111, F.S., the Trustees may not sell any land to which they hold title without first offering it to the county in which the property is located. The county has 40 days after they receive notification from the Trustees that the property is available to determine whether or not they want to purchase the property. After that, the property may be sold on the open market.

Under the provisions of s. 253.115, F.S., any application the Trustees receive to surplus property must be noticed. The notice, which must contain the name and address of the applicant, a description of the proposed activity, and other information, must be provided to each owner of land lying within 500 feet of the land which is the subject of the surplus request. The Trustees must consider any comments or suggestions received before deciding to approve the request.

III. Effect of Proposed Changes:

Section 1. Amends s. 253.034, F. S., to require that the Trustees offer for reconveyance to the fair association any parcel of surplus land less than three acres in size which was conveyed or gifted to the state by that fair association prior to 1955, if that fair association was incorporated under ch. 616, F. S., for the purpose of conducting and operating public fairs and expositions, and providing that DEP has filed a notice of intent to surplus by July 1, 2007. The agency that last held a lease for the land from the Trustees may remove from the land any improvements, fixtures, goods, wares, and merchandise within 180 days after the effective date of the reconveyance.

Section 2. Provides an effective date of July 1, 2006.

IV. Constitutional Issues:**A. Municipality/County Mandates Restrictions:**

This bill does not require cities and counties to expend funds or limit their authority to raise revenue or receive state-shared revenues as specified by s. 18, Art. VII, State Constitution.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The Pasco County Fair Association, Inc. will be reconveyed a parcel of land it originally conveyed to the State Board of Education in 1954. A previous version of the bill provided that the reconveyance would be at no cost to the fair association.

C. Government Sector Impact:

Buildings and improvements on the property, including utility service, have added value to the land which did not exist at the time the property was conveyed to the BOE.

The Bureau of Appraisal, Division of State Lands, has estimated the value of the property to be between \$130,000 and \$175,000, and the improvements located on the property are valued at up to \$30,000. Though not an official appraisal, it is indicative of the potential value for the property and improvements, based on comparable sales in the area. If the state were to surplus this land, the state could expect revenue based on the fair market value of the appraised value of the property. However, the bill provides for a reconveyance to a fair association at no cost.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
